

EXHIBIT 16

From: OKEEFEJ on behalf of O'Keefe, Jim
To: Dorey, Marie
CC: O'Brien, Sean
Sent: 3/3/2009 4:08:06 PM
Subject: Not Valid MDF Claims - Circuit City

Z Series and End Cap Initiative:

Circuit City is claiming \$600,000 for this initiative (\$400K was issued during the 1st half of FY2008)

- Invoice number 97709 = \$100,000
- Invoice number 98681 = \$400,000
- Invoice number 96515 = \$100,000

These debits are NOT VALID because Circuit City did not meet the requirements of the original offer (see text of original offer below):

- In November 2008, Circuit City reduced their total store count to 567 stores. As such they were unable to meet the requirement for 650 store locations with the end-cap
- Circuit City stores began liquidation in mid-January, which prevented them from maintaining these displays in their stores until the end of February 2009.

This opportunity was presented to Circuit City as follows (FY2008 program letter dated June 19, 2008):

***Z Series and Blu Ray End Cap Initiative** – Sony will provide \$1,000,000 in MDF funding to support an end cap display in at least 650 Circuit City stores. These end caps will feature Sony's KDL46Z4100 LCD TV, the BDPS350 Blu Ray player and the HTSS2300 home theater in a box system. These displays will occupy the TV1 end cap position in the television department at each location.*

The funding is based on Circuit City's agreement to keep the end cap in place in Circuit City stores from July 2008 through February 2009.

Simple to Shop Wall Initiative:

Circuit City is claiming \$700,000 for this initiative

- Invoice number 94291 = \$700,000

As written, these debits are NOT VALID. Circuit City did not meet the requirements of the original offer because the Sony LCD featured on the Simple to Shop Wall was only in place for four (4) months. It was originally agreed upon that this initiative would be in place for 12 months.

This opportunity was presented to Circuit City as follows (E-Mail from Jim O'Keefe to Derek Matilla dated September 4, 2008):

As discussed and agreed:

- *Circuit City will run three (3) Sony covers between now and January 31, 2009. At least two of these covers will take place prior to December 31, 2008. These covers will be feature Sony product exclusively with an emphasis on Sony LCD TV products and technologies*
- *Circuit City will add the KDL37M4000 to it's core assortment in the September / October time frame*
- *The funding for this program can be deducted in September 2008 - once the 'Simple to Shop' learning wall initiative has been fully executed. The core funding utilized (\$500K) will count against Circuit City's core funding for the second half of Sony's FY2008 (as first half core funding has already been fully utilized).*
- *Should any of the initiatives below not be executed as agreed, Circuit City will pay back the funding to Sony in full*

This recaps the original agreement:

- *Circuit City places the KDL40V4100 (x 2) in the Simple to Shop wall to serve as the HD versus SD TVs in this initiative*
- *Sony receives 3 incremental front cover exposures between September 1st and December 31, 2008*
- *Circuit City adds a Sony 37" LCD to their core assortment in the September / October time period*

As confirmed by Derek Matilla in an e-mail on February 3, 2008:

"It was in the spirit of the agreement that Circuit City and Sony would partner on the Simple to Shop initiative for a 12month period"

Jim O'Keefe

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